GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:364
ANSWERED ON:14.12.2001
REDUCTION IN TAXES TO PROMOTE EXPORT
NAWAL KISHORE RAI;SUSHIL KUMAR INDORA

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have announced reduction in tax rates to promote exports in the country during the last three years;

(b) if so, the details thereof;

(c) whether the tax collection has increased on account of increase in exports; and

(d) if so, the details thereof during the last three years?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (GINGEE N. RAMACHANDRAN)

(a) & (b) Government have been following a policy of moderating tax rates in the interest of Indian industry as well as to promote exports from the country. Peak rates of Customs Duty have been reduced from 40% three years ago to 35% in 2001-2002. The Income Tax Act also provides for exemptions from tax in respect of Export Processing Zones, 100% EOUs and exports of goods and merchandise and software.

(c) No separate data for export related revenue are maintained in the Department of Revenue.

(d) Does not arise.